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October 27, 2010

The Honorable Jocelyn Boyd
Chief Clerk of the Commission
Public Service Commission of South Carolina
Post Office Drawer 11649
Columbia, South Carolina 29211

Re: Docket No. 2001-209-C – Application of BellSouth Telecommunications, Inc. to Provide In-Region InterLATA Services Pursuant to Section 271 of the Telecommunications Act of 1996

Dear Ms. Boyd:

Enclosed please find BellSouth Telecommunications, Inc., d/b/a AT&T South Carolina's Motion to Approve Modifications to Performance Measurement Plan.

By copy of this letter, I am serving all parties of record with a copy of this pleading as indicated on the attached Certificate of Service.

Sincerely,

Patrick W. Turner

PWT/nml
Enclosure
cc: All Parties of Record

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BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

In Re:

| | | |
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| BELLSOUTH TELECOMMUNICATIONS, INC. d/b/a AT&T SOUTH CAROLINA – APPLICATION TO PROVIDE IN-REGION INTERLATA SERVICES PURSUANT TO 271 TELECOMMUNICATIONS ACT OF 1996 | ) | DOCKET NO. 2001-209-C |

**MOTION TO APPROVE MODIFICATIONS TO PERFORMANCE MEASUREMENT PLAN**

Pursuant to Section 3.1 of the South Carolina SEEM Administrative Plan, and for the reasons set forth below, BellSouth Telecommunications, Inc., d/b/a AT&T South Carolina ("AT&T South Carolina") respectfully requests that the Public Service Commission of South Carolina ("Commission") approve proposed modifications to the AT&T South Carolina Service Quality Measurement Plan and South Carolina Self-Effectuating Enforcement Mechanisms Administrative Plan (collectively, "proposed SQM/SEEM Plan").

1. The South Carolina SQM/SEEM Plan is subject to periodic review and has been modified periodically to reflect necessary updates to the performance measures as well as the remedies provided in the Plan.

2. AT&T South Carolina submits the proposed SQM/SEEM Plan to update and streamline the Plan that currently is in effect in South Carolina. Exhibit A to this Motion is a copy of the proposed changes to the SQM Plan, and Exhibit B to this Motion is a copy of the proposed changes to the SEEM Plan. If the Commission grants this Motion, the proposed SQM/SEEM Plan will supersede and replace the current SQM/SEEM Plan.

3. The proposed SQM/SEEM Plan set forth in Exhibits A and B to this Motion includes all the changes to the Florida SQM/SEEM Plan that the Florida Commission approved in the course of its most recent annual review of the Florida SQM/SEEM Plan. These changes the Florida Commission approved were the result of months of extensive and numerous workshops and conference calls, held by the Florida Staff and open to all interested parties, during which proposed SQM and SEEM revisions were discussed and debated. During the SQM/SEEM review process in Florida, AT&T and CompSouth[1] entered into a Settlement Agreement that they submit is a reasonable compromise of all issues. Exhibit C to this Motion is a copy of the Settlement Agreement, and its various terms and provisions are incorporated and documented where appropriate in the proposed SQM/SEEM Plan. After reaching this Settlement Agreement, AT&T also reached an agreement with Saturn Telecommunications Services, Inc., which resulted in additional changes that were incorporated in the First Revised SQM/SEEM Plan. In addition, AT&T and the Florida Cable Telecommunications Association ("FCTA")[2] reached consensus on further changes, which were incorporated in the Second Revised SQM/SEEM Plan. Again, all of the changes were approved by the Florida Commission's Order that is attached as Exhibit D to this Motion.

4. More recently, the North Carolina Commission entered an order approving each of the changes reflected in Exhibits A and B to this Motion with regard to AT&T's SQM/SEEM plan in North Carolina. Exhibit E to this Motion is a copy of the North Carolina Commission's Order.

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[1] For purposes of this Motion, individual CompSouth Members are: Access Point, Inc.; Birch Communications; Cavalier Telephone; Covad Communications Company; DeltaCom; NuVox Communications, Inc.; tw telecom, Inc. and XO Communications, Inc.

[2] The Florida Cable Telecommunications Association represents cable telephony providers throughout the state of Florida. FCTA's five largest members include Atlantic Broadband, Brighthouse Networks, Comcast, Cox and Mediacom.

5. The proposed SQM/SEEM Plan changes are principally directed to streamline the SQM/SEEM Plan, provide for certainty of the Plan over time and continue to provide adequate assurance that AT&T will deliver the expected performance to its wholesale customers. The proposed changes to the SQM/SEEM Plan include:

a) Elimination of Tier 2 remedies – Tier 2 remedies were initially implemented to provide additional assurance, beyond Tier 1 remedies, that AT&T structured and implemented its OSS and associated processes in a way that enhanced the competitive landscape while preventing "backsliding." The South Carolina local telecommunications market is irreversibly open and competitive. Since Section 271 approval in 2002, AT&T has unquestionably maintained its ordering, provisioning, maintenance & repair, and billing systems and associated processes at levels that support the CLEC industry and provide an efficient CLEC with a meaningful opportunity to compete.[3] With competition firmly entrenched, Tier 2 remedies no longer serve their intended purpose and should be eliminated. Importantly, Tier 2 remedies have been eliminated by all states comprising AT&T's Midwest, West, and Southwest regions.[4]

b) Increases to Tier 1 remedies – Tier 1 remedy payments will increase by 20% to 35%, depending on the metric, when the SQM has been missed for three consecutive months or more except for billing and collocation remedied metrics. This revision is similar in structure to the current methodology employed for Tier 2 remedies. However, the proposed revision will provide the remedies directly to the impacted CLECs. The revised Tier 1 Fee Schedule provides ample incentive for AT&T South Carolina to continue to provide compliant levels of service and ensure an open market as it has since

[3] The nine states comprising the AT&T Southeast Region have successfully completed three FCC Section 272 biennial compliance audits; the latest – and final - in 2007.

[4] AT&T was never subject to Tier 2 remedies in its East region.

receiving Section 271 approval. Those levels of performance continue to provide efficient CLECs with meaningful opportunities to compete, and support open competition for the industry as a whole. Implementation of this SEEM revision will necessitate the failure month count for the Tier 1 Fee Schedule to be reset to month one for all remedied metrics commencing with the first full data month under the revised SEEM Plan.

c) Other SEEM Plan Changes – Other proposed revisions to the SEEM Plan eliminate several provisions that impose penalties on performance for activities that have no impact on the level of service provided to the CLEC.

- The $1,000 per day fine for late payments due the Commission is eliminated. The elimination of Tier 2 remedies makes the late payment charge unnecessary. In addition, late payments are the result of inadvertent and unintentional errors in monthly data reporting and occur very rarely. Third, a late payment has no impact on the services AT&T provides to CLECs or the overall competitive landscape.
- The $400 per day fine for reposting SQM reports is eliminated. When AT&T discovers or is informed of an inconsistency in the posted SQM performance reports, the data is corrected as quickly as possible and the reports are reposted to the performance measurement website. The primary objective of performance measurement reporting is to provide complete and accurate results, identify omissions and errors should they occur, and correct them expeditiously. The number of measurements and sub-metrics, the volume of data processed and the complexity of the current Plan imposes significant demands on AT&T that can result in a data restatement. To the extent that

omissions and errors are identified, AT&T South Carolina should not be fined for taking action to correct the posted results. Clearly, the CLEC did not experience any discriminatory actions nor can any competitive harm be presumed because of reposting performance reports, particularly where the CLECs were provided better service than originally reported.

- The automatic penalty of $2,000 per day for the late posting of SQM reports is eliminated. Historically, late posting of reports is rare; late posting has not occurred in the last six (6) years throughout the nine-state Southeast region. AT&T has made and will make every reasonable effort to meet all deadlines imposed by the SQM Plan. With the volume of data and reports, it is unreasonable to assume that an issue will never arise regarding the posting of a report. Moreover, there is nothing to suggest that late reporting is harmful to the CLECs or to the Commission.

d) Miscellaneous Changes -The proposed SQM/SEEM Plan provides for other modifications, additions, and deletions to the Plan.

- Administrative changes were made for clarity, such as name change from BellSouth to AT&T, updating website addresses, and grammatical changes.
- An Administrative Changes section has been added to both the SQM and SEEM Plan permitting non-substantive administrative changes to be made without a formal PSC review. Such administrative changes are not without oversight in that AT&T will be required to provide written notice to the Commission regarding all such administrative changes. An administrative change is one that corrects typographical, spelling, grammatical, or computational errors, updates website

addresses, and incorporates modifications to architecture implemented in an OSS release following the approved Change Management process.

- The annual review requirement has been eliminated. Both the proposed SQM and SEEM Plans call for a Plan review to be held "periodically or at the request of either party". In view of the maturity of the SQM/SEEM Plans, there is no need for an annual review of the plans.[5]
- The SQM Plan has been re-structured to be independent from the SEEM Plan. This revision results in all references to SEEM being removed from the SQM Plan. In addition, provisions that previously only existed in the SEEM Plan such as Change of Law and Review of Measurements have been added to the SQM Plan.

7. AT&T is seeking approval for the proposed SQM/SEEM Plan throughout AT&T's nine-state southeast region. AT&T South Carolina, therefore, requests the Commission accept and approve the proposed SQM/SEEM Plan as a whole, without any change or conditions, as well as the Settlement Agreement. The Settlement Agreement provides that the agreement is conditioned on Commission approval of the proposed SQM/SEEM Plan, without a hearing. If any objection to Commission approval of the proposed SQM/SEEM Plan results in undue delay or a hearing, AT&T South Carolina and CompSouth each reserve all rights they may have, including the right to propose further revisions to the proposed SQM/SEEM Plan.

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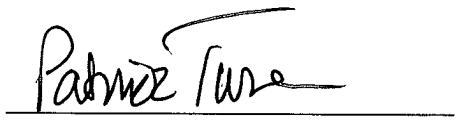
[5] The AT&T/CompSouth settlement agreement provides that none of the parties to the agreement will seek a review for any non-administrative change to the SQM and SEEM Plan for a period of four (4) years. This provision will give certainty and predictability for AT&T and the CLECs for a period of four years.

For the reasons set forth herein, AT&T South Carolina requests that the Commission issue an Order approving the proposed SQM/SEEM Plan.

Respectfully submitted, this 27th day of October, 2010.

BELLSOUTH TELECOMMUNICATIONS, INC.
D/B/A AT&T SOUTH CAROLINA



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STATE OF SOUTH CAROLINA )
) CERTIFICATE OF SERVICE
COUNTY OF RICHLAND )

The undersigned, Nyla M. Laney, hereby certifies that she is employed by the Legal Department for BellSouth Telecommunications, Inc. d/b/a AT&T South Carolina ("AT&T") and that she has caused AT&T South Carolina's Motion to Approve Modifications to Performance Measurement Plan in Docket No. 2001-209-C to be served upon the following on October 27, 2010:

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